# Short Time Compensation Program for Employers

The Short Time Compensation program helps employers retain their workforce in times of temporary slowdown by encouraging work sharing as an alternative to layoff.

The program permits prorated reemployment assistance benefits to employees whose work hours and earnings are reduced as part of a Short Time Compensation plan to avoid total layoff of some employees.

#### How to Apply

To apply for the Short Time Compensation Program, please follow this link to the Employer Login page of <u>CONNECT</u>.

### **Eligibility Requirements**

- The employer must describe a plan for giving notice, if feasible, to an employee whose workweek is to be reduced, together with an estimate of the number of layoffs that would have occurred absent the ability to participate in STC.
- If you are a client company trying to apply for a plan for leased employees, contact the leasing company. They will need to file a plan separately on behalf of their employees.
- Reduced hours must be used as a temporary solution to avoid a layoff. The employer must submit a Short Time Compensation plan application to the Short Time Compensation Coordinator, Reemployment Assistance Services
- Individuals participating in an employer-sponsored training may also be eligible to participate in the short-time compensation program.
- Participating employees must be full-time (at least 32 hours per week prior to Short Time Compensation reduction), permanent employees (not seasonal) and the employees must have a set number of hours (excluding overtime) that they work each week in order to participate. Employees paid piece rate, on commission, or who are hired to do certain jobs regardless of the time required are not eligible for participation.
- Short Time Compensation benefits are payable when normal hours of work are reduced from 10-40 percent. If normal work hours exceed 40, the percentage will be based on 40 hours.

Each week that Short Time Compensation benefits are claimed, at least 10
percent of the employees from the total staff or within a particular unit must be
working reduced hours. (Two employees is the minimum for a staff or unit of less
than 20 employees.)

## Short Time Compensation Program Goals

Goals of the Short Time Compensation program are listed below.

- Employees retained during a temporary slowdown can resume high production levels when business conditions improve and are spared the hardships of full unemployment.
- Employers avoid the expense of recruiting, hiring, and training new workers when business conditions improve.
- Employers who must permanently reduce their workforce can use the program as a transition to layoff. Affected employees may continue to work at reduced levels with an opportunity to find other employment before the expected layoff.

### **Program History**

The Short Time Compensation program is a result of a 1983 Legislative amendment to the Reemployment Assistance Law and is provided for in <u>Section 443.1116, Florida Statutes.</u>

PROVIDED BY



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IF YOU NEED HELP WITH THE SHORT TIME COMPENSATION FACT SHEET & OTHER LABOR ISSUES, CONTACT US:

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